

FOR IMMEDIATE RELEASE

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Maturo Proposes Largest Tax Reduction Since 1989 for East Haven

Mayor Joseph Maturo, Jr., on Monday night, unveiled an \$89 million dollar budget proposal calling for \$750,000 dollars in new funding for the Board of Education and a half-mill tax reduction which would mark the largest tax reduction in a non-revaluation year for East Haven since 1989.

Maturo explained, "Since returning to office in 2011, my team and I have balanced three straight budgets, increased the rainy day fund by over \$2.4 million dollars, and have paid off over \$15 million dollars in long-term debt. My budget proposal rewards the taxpayers for their patience as we have pioneered this extraordinary financial recovery for East Haven."

Maturo's budget proposal emphasized the Town's historically low debt levels and credited a \$1.5 million dollar reduction in the Town's yearly debt payment as the primary basis for the tax reduction. In the present fiscal year, the Town's debt-service payment is \$6.9 million dollars. In the upcoming budget year, the payment is slated to be just \$5.4 million dollars.

Maturo explained, "Last year, because of our commitment to reducing our debt and limiting borrowing, we earned an upgrade in our credit rating from Standard and Poor's. As a result, in addition to having paid off \$16 million in debt since 2011, we were able to restructure our remaining debt, resulting in a significant savings which I am proposing to pass on to the taxpayers."

Maturo continued, "This year, thank to our economic development efforts, we enjoyed significant grand list growth of almost \$20 million dollars, which equates to over \$600,000 in new tax revenue. With our savings on debt payments and the increase in revenue from our grand list growth, we would be over-taxing the residents if we didn't reduce the mill rate."

In addition to proposing a tax reduction, the Mayor's budget proposal calls for \$750,000 in new funding for the Board of Education. The increase marks the largest increase to education since 2009, aside from last year's increase of \$1.2 million dollars.

Maturo explained, "As a result of our success restoring the rainy day fund since 2011, my budget proposal calls for the Town to draw down the contribution to the fund from \$900,000 to \$600,000. This drawdown, in association with our debt savings and the growth of the grand list, are providing the basis for my proposed \$750,000 increase in funding to the Board of Education.

Maturo concluded, "Since 2011, we have worked hard to stabilize the Town's budget. I'm glad we have been successful in this endeavor and I am even happier that we are now able to put money back in the taxpayers' pocketbooks, where it belongs."

For more information, contact Frank Gentilesco at 203-468-3204.